



Legislative Task Forces, Studies, and Committees Underway

Health-related studies with recommendations for the 2007 session

Blue Ribbon Commission on Health Care Costs & Access – July 2007





Joint Select Committee on Public Health Financing

- Established in EHCR 4410 (2005).
- Includes two members from each legislative caucus.
- Chaired by Rep. Schual-Berke
- Directed to review current funding and recommend potential sources of future funding for public health services.
- Beginning in Sept. 2005, the Committee has had eight half-day meetings, with at least one more to be scheduled.
- No formal subcommittee or advisory groups, although the Committee has sought substantial information and input from state and local public health officials.



Joint Select Committee on Public Health Financing

- **Two-part work plan addressing:**
 - To what extent are current funding arrangements adequate to support core public health functions?
 - If current funding arrangements need improvement, what are appropriate and realistic options?
- **A draft report is currently under review.**
- **Issues being deliberated:**
 - Does the state's public health system need additional funding, or to reprioritize current funding?
 - If additional funding is provided, how much, and should it come from local or state sources?
 - Should any additional funds be directed to particular purposes, and how should the public health system be held accountable for its use?



Certificate of Need Task Force

- **Established by ESSHB 1688**
- **Project background and timeline**
 - Creates task force to study and prepare recommendations to improve and update Certificate of Need program
 - Task force to consult with and seek recommendations from a Technical Advisory Committee
 - Report due November 1, 2006
- **Legislative directives**
 - Purpose and goals
 - General criteria
 - Scope of coverage
 - Facility and service specific policy
 - Compliance monitoring
 - Administration/operation



Certificate of Need Task Force

- **Other highlights to date**
 - State plan
 - Data system
 - Stable funding
 - Monitoring and compliance
 - Transparency
 - JLARC study



JLARC Basic Health Plan & BHP/Medicaid Employment Status

- **JLARC two-part study of BHP mandated by 05-07 operating budget**
 - Part 1: To what extent do BHP policies and procedures promote or discourage the provision of appropriate, high-quality, cost-effective care? (Report 06-01)
 - Part 2: What are the characteristics of individuals enrolled in BHP, and how are they utilizing services?



JLARC Basic Health Plan & BHP/Medicaid Employment Status

- **JLARC study questions:**
 - How long are individuals enrolled?
 - Why did they enroll?
 - How did enrollees obtain health care before enrolling?
 - What kind of coverage do other members of the household have?
 - How do enrollees use services?
 - What are enrollees' employment status?



JLARC Basic Health Plan & BHP/Medicaid Employment Status

- **JLARC data sources:**

- Health Care Authority administrative data on enrollees
- Telephone survey of BHP enrollees
- Health Care Authority's "Employment Status of Basic Health Adult Enrollees" report
- BHP Actuary's utilization and expense data from health plans

- **Next steps:**

- Report to JLARC on August 2nd



JLARC Basic Health Plan & BHP/Medicaid Employment Status

- **Employment Status of Medicaid and Basic Health Recipients**
- **Established by ESHB 3079**

- **Project background**
 - DSHS/BH employer specific report
 - DSHS/BH aggregate employer report
 - Reporting requirements by agency
- **Timeline**
 - Current status – Data collection and evaluation
 - Legislative staff update – early October
 - Final reports due – November 15 each year
- **Limitations / obstacles**
 - Two separate data sources – Not comparable
 - Report & agency specific limitations
 - Manual data collection by Basic Health – First year



DSHS Legislative Studies

- 1. Medicaid Inpatient Payment System Study
(SSB 6090, Sec. 209 (2005)).**
- 2. Study of Provider Incentives to Service Medicaid,
Medicare, and Uninsured Patients
(SSB 6090, Sec. 209 (2005)).**



Medicaid Inpatient Payment System Study

- **First Phase completed December 1, 2005**
 - Identified strengths and weaknesses of current system.
 - Conducted survey of other states' Medicaid inpatient systems
 - Provided initial findings and recommendations

- **Second Phase to be completed November 1, 2006**
 - Develop payment options based on findings and recommendations from First Phase
 - Update AP DRG system from version 14.1 to 23
 - Provide recommendations for a redesign or improvements of the current system



Medicaid Inpatient Payment System Study

- **Current system:**

- Does not recognize newer technology in use at hospitals
- Significant payment amounts using methodology that does not control expenditure system as well
- Perceived as unfair and inefficient

- **Proposed redesigned system:**

- Update reimbursement to recognize new technology
- Eliminate certain payment methodologies to better control expenditures
- Evaluate state's use of Certified Public Expenditures



Medicaid Inpatient Payment System Study

- **Technical Advisory Groups are meeting to:**
 - Identify concerns and issues
 - Provide expertise and knowledge related to inpatient payment processing, coding, and billing
 - Provide advice and support for implementing a redesign or improvements to current system

- **Groups include:**
 - Washington State Hospital Association
 - Hospital representatives
 - Legislative and OFM analysts



Physician Incentives Study

- **2005-07 budget directive:**

- “By November 15, 2006, DSHS, in consultation with the Dept. of Revenue and the Health Care Authority, report to the Legislature on options for providing financial incentives for private practice physicians to serve uninsured, Medicare, and Medicaid patients. The report shall include an assessment of the relative costs and effectiveness of strategies including, but not limited to, tax credits and payment rate increases. The report is to suggest alternative mechanisms and thresholds for varying tax credits and payment enhancements according to the extent to which a provider serves uninsured, Medicare, and Medicaid patients.”



Physician Incentives Study

- **Report will include:**

- Physician and ARNP participation in Medicaid fee-for-service programs.
- How Washington's Medicaid RBRVS rates compare to other Medicaid programs, Medicare, state's Uniform Medical Program and commercial rates.
- Current DSHS and HCA payment programs that support access to care.
- Survey of other state Medicaid programs' policies to sustain physician participation.



Physician Incentives Study

- **Report will include:**
 - Cost of physician Business and Occupations (B&O) tax exemption for Medicare, Medicaid and uninsured patients
 - Estimates on increasing Medicaid payment rates:
 - WSMA proposal
 - Indexing Medicaid to UMP payment rate increases
 - B&O tax reduction applied to rate increase leveraging FFP
 - Targeted rate increases to address specific access problems



Pay for Performance Purchasing Project

- **Established in ESSB 6090, Sec. 213(7)**

- **Project background & timeline**
 - L&I, DSHS & HCA to design/implement a “joint health purchasing project” and includes linking payment to provider or facility performance and utilizing “evidence-based performance measures” to improve quality of care & yield “measurable and significant savings.”
 - Report due December 1, 2006

- **Inter-agency work group**
 - Four main challenges: Lack of data infrastructure to analyze provider performance; divergent agency business practices; lack of dedicated funding; and proviso timeline.
 - Strategy selected: Provider prescription patterns (compliance with PDL and generic utilization); focus on project with current inter-agency infrastructure; and align with other major players & PSHA.
 - Includes HRSA, L&I, and UMP pharmacy directors & PDP



Pay for Performance Purchasing Project

- **Inter-agency data gathering / processing infrastructure**
 - Data shared to gain baseline of current provider prescription patterns
 - Identify potential prescribing differences b/w endorsing and non-endorsing providers, as well as b/w agencies
- **Pilot projects**
 - Agencies simultaneously developing pilot project designs
 - Account for differences in business practices
 - Have common desired outcomes and targeted points of focus
 - Participating providers
 - Common measures
 - Shared drug classes



Small Employer Health Insurance Partnership

- **Established by E2SHB 2572**
- **Project background & timeline**
 - Premium subsidies to eligible persons enrolled in their employer's health coverage
 - Program implementation by HCA – July 1, 2007
 - Biennial report on effectiveness and efficiency of program
- **Program development**
 - Research nearly complete, including discussions with OIC, DSHS, and program staff in Oregon and Rhode Island
 - Currently working on infrastructure development and design
 - Stakeholder communications – Meeting with health plans Aug. 3, 2006
- **Implementation issues**
 - OIC authority to require carriers to submit information on actuarial equivalence
 - Actuarial equivalency language & enrollee eligibility limits
 - Technical changes to legislation
 - Need marketing effort and simplified administrative procedures for success



Small Business Assist Project

■ **Project background and timeline**

- Governor's effort for support of small business owners for health insurance coverage (beyond 2006 legislation), HCA lead agency
 - Support from two grants, RWJ and HHS
 - Promising options for stakeholdering, reports to funding agencies (Aug-Oct)
 - Possible 2007 legislative proposals (Oct-Dec)

■ **Work to date**

- Review of existing coverage strategies in other states and Washington
- Update of health insurance data on WA employers/regulatory environment
- Nine focus groups with small business employers and employees
- Price Washington version of Healthy New York reinsurance model
- Developed briefing book on small business coverage issues
- Convened "expert intensive" to discuss information, ideas and strategies
- Developing summary of most promising interventions to consider in WA



Health Information Infrastructure Advisory Board

- **Established by SSB 5064**
- **Project background and timeline**
 - Develop strategy for adoption & use of electronic medical records and Health IT to promote inter-operability
 - WA State health Information Infrastructure Advisory Board
 - 12 member board staffed by HCA; Stakeholder Advisory Committee
 - Subcommittees: Consumer; Finance & Sustainment; Governance; Technical & Infrastructure
 - Preliminary report submitted in December 2005
 - Final report due in December 2006
- **Current efforts**
 - Focus – Narrow the Dialogue and Assessment of the Most Workable Health Info. Infrastructure (HII) Model (3 models under discussion)
 - Stakeholder feedback/public input in July and August 2006
 - Develop strategies through stakeholder feedback & subcommittees



Health Information Infrastructure Advisory Board

■ What Has Been Done

- Board & Committee assessment of background issues and the problem
- Adoption of design principles, values, requirements framework
- Review of Health IT activity in WA, other states, and research
 - “snapshot” on Health IT adoption nationally
 - We are “early adopters”
- Informal WSMA provider survey
- Identified unique position of WA state to expedite adoption & interoperability
- Heard from forward thinking employers on business case for adoption
- Coordination, convening of HII development and planning through the state
- SHB 2573 – Health IT goals, www.wahealthinfocollaborative.org



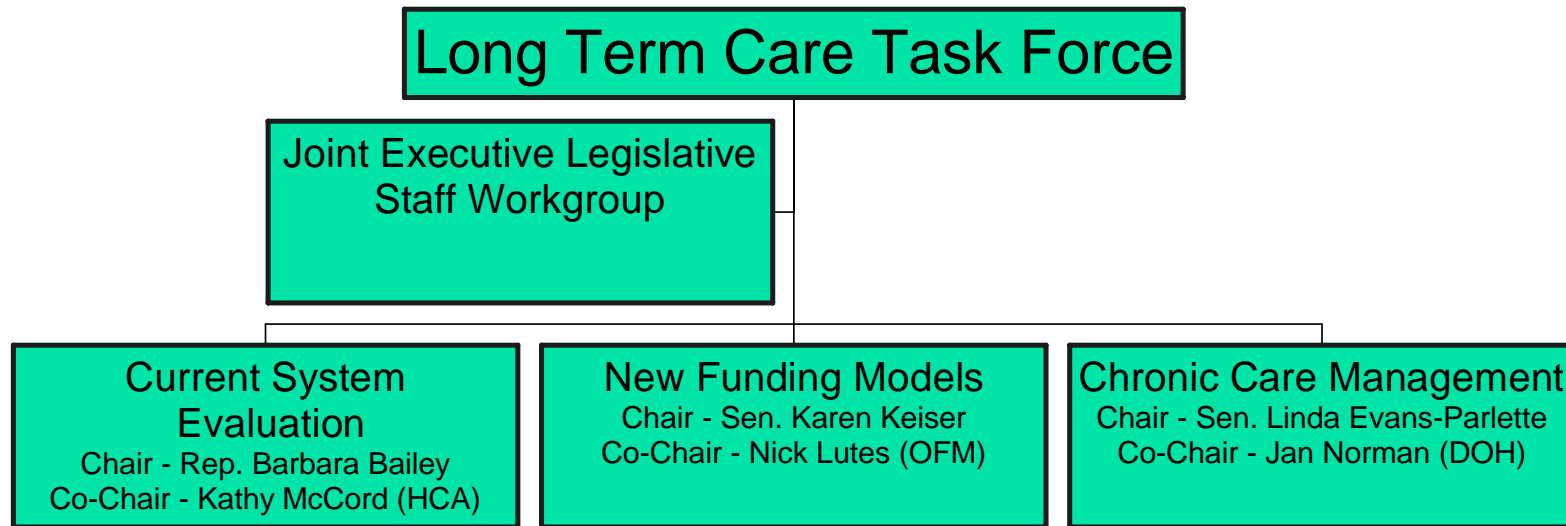
Long-Term Care Financing and Chronic Care Management

“Better Strategies, Better Lives”: www.governor.wa.gov/ltctf

- **Established by 2SHB 1220 (2005)**
- **Review public and private financing and make recommendations related to:**
 - a) Composition of a LTC system adequate to meet needs
 - b) Efficient models that will effectively sustain funding of LTC
 - c) Laws and regulations that should be revised and/or eliminated to reduce or contain cost.
 - d) Feasibility of private options which will enable individuals to pay for LTC
 - e) Options that support the needs of rural communities
- **Recommend chronic care management and disability prevention interventions that will reduce health care and LTC costs to individuals and the State.**



Long-Term Care Financing and Chronic Care Management



■ Task Force Deliverables:

- ✓ January 1, 2006 – report initial findings to Governor and appropriate committees of Legislature.
- January 1, 2007 – Report recommendations to Governor and appropriate committees of Legislature.
- June 30, 2007 – Final Report to Governor and appropriate committees of Legislature.



Children's Health / Cover All Children

- **Governor Directive to DSHS (January 25, 2005).** Returns to 12 month eligibility reviews (as opposed to 6) and continues to hold off on imposition of premiums on children below 200-percent FPL.
- **E2SHB 1441 (Chapter 279, Laws of 2005).** It is “the intent of the legislature that all children in the state of Washington have health care coverage by 2010.”
 - **Medicaid/SCHIP.** The 05-07 biennial and 06 supplemental budgets projected an increase of 73,000 additional children.
 - **Children's Health Program (as of June 29, 2006):**
 - 5,173 children enrolled in CHP.
 - No families on waiting list - all application are in process or determinations completed.
 - Number of approved CHP applications has been below target:
 - 39-percent of applications processed to date have been denied - the majority for income above 100% FPL;
 - 69-percent of children denied for excess income were in families below 150% FPL.
- **SHB 2376 (Chapter 24, Laws of 2006).** Prohibits the imposition of premiums on children below 200-percent FPL.



Thank you.

